



City of Palo Alto

City Council Staff Report

(ID # 9643)

Report Type: Consent Calendar

Meeting Date: 11/26/2018

Summary Title: Employee Assistance Program Contract Amendment

**Title: Approval of Amendment Number 1 to Contract Number C15156644
With Concern: EAP for the City of Palo Alto's Employee Assistance Plan to
add \$57,000 for a Total not-to-exceed \$223,036**

From: City Manager

Lead Department: Human Resources

Recommendation

Staff recommends that City Council approve an amendment to the contract with Concern:EAP, for the City's Employee Assistance Plan, for an additional \$57,000 for a new total amount not to exceed \$223,036.

Background

The City has provided employees and their dependents with Employee Assistance Plan (EAP) benefit since 1982. The EAP provides employees with confidential personal counseling regarding work and family related issues, stress, childcare issues, eldercare, substance abuse, etc. In addition EAP programs provide a valuable tool for supervisor and employee relations when professional outside support is necessary for successful resolution. The EAP is designed to promote the well-being and welfare of City employees and their families, as well as to support on-the-job productivity.

Discussion

During the term of this contract the City has requested specialized services to facilitate employee relations matters between supervisors and employees. These specialized services are outside of the standard contract service fees. Although our contract scope allows for these services, funding for these services were not considered on the front-end of this contract request. These specialized services are requested on an as-needed basis and vary from year to year.

The current contract amount is 5 years from 2014 to 2019, at approximately \$33,600 per year. Annual expenses for this contract have been \$31,000 per year for regular services plus variable costs for department specific coaching and conflict resolution services. Due to the additional variable costs, we will have exhausted the authorized

funds for this contract by October 2018. Staff is requesting additional funds to complete the term of the contract through December 2019.

Resource Impact

Funding for EAP services is budgeted in the General Benefits Fund. There is sufficient funding in the Fiscal Year 2019 budget. The funding for this contract for subsequent fiscal years is subject to annual appropriation of funds.

Attachments:

- Attachment A - EAP Contract Amendment No 1.

**AMENDMENT NO. 1 TO CONTRACT NO. C15156644
BETWEEN THE CITY OF PALO ALTO AND
CONCERN: EMPLOYEE ASSISTANCE PROGRAM**

This Amendment No. 1 to Contract No. C15156644 ("Contract") is entered into November 5, 2018, by and between the CITY OF PALO ALTO, a California chartered municipal corporation ("CITY"), and CONCERN: EMPLOYEE ASSISTANCE PROGRAM, a California corporation, located at 1503 Grant Road, Suite #120, Mountain View, CA 94040 ("CONSULTANT").

RECITALS

A. The Contract was entered into between the parties for the provision of an employee assistance services plan.

B. CITY intends to increase the compensation by \$57,000.00 from \$168,036.00 to \$225,036.00 for the continuation of services as specified in Exhibit "A" Scope of Services.

C. The parties wish to amend the Contract.

NOW, THEREFORE, in consideration of the covenants, terms, conditions, and provisions of this Amendment, the parties agree:

SECTION 1. Section 4 is hereby amended to read as follows:

"SECTION 4. NOT TO EXCEED COMPENSATION. The compensation to be paid to CONSULTANT for performance of the Services described in Exhibit "A", including both payment for professional services and reimbursable expenses, shall not exceed Two Hundred Twenty Five Thousand Thirty Six Dollars (\$225,036.00). The applicable rates and schedule of payment are set out in Exhibit "C-1", entitled "RATE SCHEDULE," which is attached to and made a part of this Agreement.

Additional Services, if any, shall be authorized in accordance with and subject to the provisions of Exhibit "C". CONSULTANT shall not receive any compensation for Additional Services performed without the prior written authorization of CITY. Additional Services shall mean any work that is determined by CITY to be necessary for the proper completion of the Project, but which is not included within the Scope of Services described in Exhibit "A".

SECTION 2. The following exhibit(s) to the Contract is/are hereby amended to read as set forth in the attachment(s) to this Amendment, which are incorporated in full by this reference:

a. Exhibit "C" entitled "COMPENSATION".

SECTION 3. Except as herein modified, all other provisions of the Contract, including any exhibits and subsequent amendments thereto, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have by their duly authorized representatives executed this Agreement on the date first above written.

CITY OF PALO ALTO

**CONCERN: EMPLOYEE ASSISTANCE
PROGRAM**

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CEO, CONCERN: EAP

APPROVED AS TO FORM:

Attachments:

EXHIBIT "C": COMPENSATION

EXHIBIT "C" COMPENSATION

The CITY agrees to compensate the CONSULTANT for professional services performed in accordance with the terms and conditions of this Agreement based on the hourly rate schedule attached as Exhibit C-1.

The compensation to be paid to CONSULTANT under this Agreement for all services, additional services, and reimbursable expenses shall not exceed the amount(s) stated in Section 4 of this Agreement. CONSULTANT agrees to complete all Services and Additional Services, including reimbursable expenses, within this/these amount(s). Any work performed or expenses incurred for which payment would result in a total exceeding the maximum amount of compensation set forth in this Agreement shall be at no cost to the CITY.

REIMBURSABLE EXPENSES

The administrative, overhead, secretarial time or secretarial overtime, word processing, photocopying, in-house printing, insurance and other ordinary business expenses are included within the scope of payment for services and are not reimbursable expenses. CITY shall reimburse CONSULTANT for the following reimbursable expenses at cost. Expenses for which CONSULTANT shall be reimbursed are: None

All requests for payment of expenses shall be accompanied by appropriate backup information. Any expense shall be approved in advance by the CITY's project manager.

ADDITIONAL SERVICES

The CONSULTANT shall provide additional services only by advanced, written authorization from the CITY. The CONSULTANT, at the CITY's project manager's request, shall submit a detailed written proposal including a description of the scope of services, schedule, level of effort, and CONSULTANT's proposed maximum compensation, including reimbursable expenses, for such services based on the rates set forth in Exhibit C-1. The additional services scope, schedule and maximum compensation shall be negotiated and agreed to in writing by the CITY's Project Manager and CONSULTANT prior to commencement of the services. Payment for additional services is subject to all requirements and restrictions in this Agreement.